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David Krech  
Telecommunications Division  
International Bureau  
Federal Communications Commission  
445 12<sup>th</sup> St., SW  
Washington, D.C. 20554

RE: Public Forum on Entry by U.S. Companies into Telecommunications Markets in Foreign Countries

Dear Mr. Krech:

Covad welcomes this opportunity to express its views in lieu of speaking at the forum.

Our national DSL network currently covers more than 40 million homes and businesses and reaches approximately 40 to 45 percent of all homes and businesses within the United States. Covad has affiliate companies in India, Japan, and Spain. Recently, Loop Telecom, Covad's Spanish affiliate, commenced negotiations with Telefonica for interconnection and access to unbundled network elements not only to provide competitive DSL service to end users in Spain, but also to interconnect Covad affiliated DSL networks, thereby expanding the benefits of broadband connectivity to all Covad end users irrespective of frontiers. We believe that these negotiations are the first to take place pursuant to the regime established by the recently promulgated Unbundling Regulation of the European Union.

In formal and informal discussions with government officials throughout the world, Covad representatives are asked for their opinions on best practices relating to competitive DSL implementation. FCC decisions relating to non-discriminatory treatment of new entrants form the basis for these discussions. The FCC deliberations and reasoning contained in key orders (cageless collocation, access to OSS, line sharing implementation and pricing considerations, spectrum management issues, and transport including dark fiber as a UNE, to identify a few) are of considerable interest to foreign officials. Moreover, they serve to differentiate a domestic regime capable of supporting

sustainable entry from one that is not. Importantly, these discussions take place at a time when many countries are seeking to encourage competitive DSL entry.

Not only do we frequently describe the end result of FCC rule makings as a standard worth emulating, we also suggest that non-U.S. government officials contact the FCC to obtain unbiased background information that will lead to an appropriate assessment of local domestic conditions.

We at Covad wholeheartedly encourage the FCC to share its DSL-related expertise with non-US government officials. We believe there is no better source of information to dispel exaggerated claims of local incumbent carriers in their attempts to “deny, delay, and degrade” the provisioning of inputs essential to the sustained competitive provision of DSL services.

In order to better illustrate the market entry barriers that Covad encounters overseas – markedly similar to those addressable in the United States – I am enclosing Covad’s recent submission to the United States Trade Representative as part of the section 1377 review process.

Simply put, we appreciate the formal and informal substantive outreach activities that the FCC has engaged in to date, and encourage continuation and expansion. Recognizing that different legal and regulatory regimes will call for different implementations, Covad believes that leadership by example is the best strategy to accomplish the objective of a global competitive telecommunications environment with the attendant consequences of lowered prices and more rapid innovation in facilities and service provision.

Thank you for your consideration.

Sincerely,

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